



City of Nashua

Central Purchasing

229 Main Street

Nashua NH 03060

603-589-3330 Fax: 603-589-3344

November 14, 2011

Request for Proposals

Insurance Brokerage and
Consulting Services
RFP0563-120111

The City of Nashua, NH invites interested and qualified firms to submit proposals for Insurance Brokerage and Consulting Services in insurance markets including, but not limited to, General Liability (including Law Enforcement Liability, Board of Education, Public Officials, Employment Practices, etc.), Workers' Compensation and Property. The City of Nashua is not requesting insurance quotations as part of the prospective broker's proposal. The awarded broker will be required to place insurance coverage to become effective July 1, 2012.

INSTRUCTIONS TO VENDORS:

All proposals must be submitted with **one (1) original and two (2) photocopies** of the same pages in a sealed envelope(s) or package(s) clearly marked "**Insurance Brokerage Services**". Complete specifications and related documentation is available on our web site, www.nashuanh.gov, under Citizen Favorites, Current Bid Opportunities, document **RFP0563-120111**. A list of respondents is usually posted on the web site, under Bid Results, within twenty-four (24) hours of opening.

Proposals must be submitted, as outlined in the preceding paragraph, no later than **3:00 pm on Thursday, December 1, 2011**, c/o Central Purchasing Office, Lower Level, City Hall, 229 Main Street, Nashua, NH 03060. Proposals must be submitted in the format provided and address the items specified in the proposal specifications. The City of Nashua will not accept telephoned, electronically mailed or facsimiled proposals.

Postmarks or other timestamps will not be accepted in lieu of actual delivery. The firm can use whatever delivery mechanism it chooses as long as it remains clear that the firm is responsible for submissions prior to the date and time. Proposals and subsequent offers shall be valid for a period of 90 days.

The City of Nashua may reject any or all of the proposals on any basis and without disclosure of a reason. The failure to make such a disclosure shall not result in accrual of any right, claim or cause of action by any unsuccessful bidder against the City of Nashua.

The City of Nashua is seeking qualifications on a fee for service basis and is not bound to accept the least costly proposal. This contract will not be awarded solely on the basis of price. The City of Nashua shall contract with the qualified firm whose proposal is deemed most advantageous to the City in the areas of budgetary limitations, scope, nature of insurance coverage and professional services.

The City of Nashua will bear no responsibility for the premature opening of a proposal that is not properly addressed and identified. All proposals become the property of the City of Nashua and will not be returned except in the case of late submission. Proposals will be available to public view in accordance with the State of New Hampshire "Freedom of Information Act" after a final decision is made by the City of Nashua. If such decision is not made or the City elects to reissue the RFP, then no public disclosure will be available until after a final decision is made by the City.

Requests to modify or withdraw a proposal received by the City of Nashua must be made prior to the opening of the proposal by the City, must be in writing, addressed and labeled in the same manner as the proposal, and clearly marked as a Modification or Withdrawal of the proposal, all requests to modify or withdraw the proposal which are made in accordance with the requirements stated herein will be accepted and will be effective after the opening of the proposal. A request to modify or withdraw the proposal, which is made after the opening of the proposal, shall be allowed solely at the discretion of the City of Nashua.

All proposals become the property of the City of Nashua and, if accepted, become a legal binding addendum to the eventual contractual agreement with the City of Nashua. This request for proposals in no way commits the City of Nashua to make an award or reimburse any offeror for any expense incurred in responding to this request.

Any questions related to this request for proposal shall be submitted in writing, via email to the undersigned at sanchezm@nashuanh.gov or, via fax at 603-589-3344. **No questions will be accepted after 1:00 PM on Monday, November 28th, 2011.**

Respectfully,

Mary Sanchez, CPPB

Mary Sanchez, CPPB
Purchasing Agent II
City of Nashua
sanchezm@nashuanh.gov

**REQUEST FOR PROPOSALS RFP0563-120111
INSURANCE BROKER/CONSULTING SERVICES**

Terms and Conditions:

1.0 Term of Contract:

The contract for insurance broker services shall extend for a period of three (3) years from the date of contract inception. Each year subsequent to the initial contractual year shall be awarded on a renewal basis subject to the satisfactory performance during the preceding term, ability and willingness to continue to provide professional services, and continued competitive prices for the services provided under the original contract.

1.1 Compensation and Method of Payment:

The broker fee shall be a flat fee and shall be paid annually.

1.2 Licenses:

By submitting a proposal, Offeror certifies that it has procured and shall maintain all permits and licenses required to conduct its business lawfully and that it shall remain informed of and in compliance with all federal, state and local laws, ordinances and regulations that affect in any manner Offeror's fulfillment of the contract.

1.3 Indemnification:

Offeror agrees to indemnify and hold harmless the City of Nashua, its officers, agents and employees from and against any and all liabilities from claims, suits (including attorney fees and cost of litigation), actions, loss, damage, expenses or costs of any nature arising from any act, omission, neglect or misconduct on the part of Offeror or its employees or agents in the performance of the work specified herein. Offeror further agrees and understands that the relationship of Offeror (if selected) to the City of Nashua shall be that of an independent contractor.

1.4 Insurance:

Offeror selected, as the City's broker shall maintain at all times during the term of its contract with the City of Nashua, liability coverage with a minimum of \$1,000,000 per occurrence and shall maintain Workers' Compensation insurance according to State of New Hampshire statute. Offeror shall provide a Certificate of Insurance to the City evidencing that the Offeror is in compliance with the insurance requirement and shall agree that no policy shall expire, be cancelled or changed without thirty (30) days written prior notification.

1.5 Transparency of Broker Services:

By submitting a proposal, Offeror agrees to maintain transparency of all work performed on behalf of the City of Nashua to include disclosure of all Offeror's revenue streams resulting from said work. Offeror also agrees to provide the City of Nashua with documentation of all of its marketing efforts by means of both a summary of quotes and options as well as a copy of actual insurer quotes.

1.6 Carrier Relationships:

Please list the names of all carriers with whom your agency has agreements. Also, please list the AM Best rating for each carrier and the commission level of each carrier.

Criteria for Proposal Evaluation and Award of Contract:

2.0 The City of Nashua will evaluate all properly submitted proposals for:

- Experience and qualifications of the Broker Team with municipal insured and self-insured programs, claims management and safety/loss prevention
- Broker access to Excess/Specialized Insurance Markets
- Services offered
- Added value services
- Staffing levels
- Availability of Broker safety/loss prevention services
- Price

Specifications of Broker:

3.0 Services:

Offeror selected as the City of Nashua insurance broker shall provide the following services to the City:

- Provide advice and counsel to the City of Nashua regarding risk management and insurance coverage issues
- Property & Casualty renewal based on the present structure of the City of Nashua self-insured program and any other appropriate alternatives
- Attend meetings as required - day and evening
- Have personnel available to answer insurance related questions
- Review and analysis of vendor contracts and insurance policies
- Act as the liaison and advocate for the City of Nashua with insurers; assisting the City with the application process-gathering and presenting required data to carriers for the purpose of procuring insurance coverage
- Provide quotations of all insurance carriers approached to bid on the City of Nashua insurance or self-insurance program

- Verify the accuracy and adequacy of insurance policies, including coverage, endorsements, exclusions, and premiums, noting in writing any variations from the previous year or from the required specifications of the current year
- Issue and review insurance binders, certificates of insurance and all other documentation in a timely manner
- Issue several hundred Certificates of Insurance on behalf of the City on an annual basis or provide ability for Risk Management to issue
- Process all payments made by the City of Nashua to insurance carriers in a timely manner
- Assess carrier stability, solvency and service record and provide the City of Nashua with A.M. Best ratings of all insurance carriers approached
- Advise the City of Nashua of any changes or developments in the insurance market that would affect the City's risk or insurance coverage
- Perform other services customarily expected of an insurance broker for the duration of the contract
- Provide access to vendor computer systems for claims and policy information

The foregoing represents the minimum services required of the City of Nashua Insurance Broker. Any Offeror who desires to provide services in addition to those listed above as part of its proposal shall submit a description of such additional services with their proposal.

3.1 Qualifications:

All Offerors shall be required to provide the following information for all staff members serving on the City of Nashua Team:

- Strong expertise in the field of public entity insurance in the areas of, but not limited to, general liability, law enforcement, public officials, board of education, employment practices and risk management
- Number of years organization has been in the business of offering brokerage services
- Demonstrated experience in providing brokerage services of a similar nature to those outlined above to other similar public entities
- Demonstrated ability to develop coverage solutions unique to municipal risk exposures

- Demonstrated ability to work effectively with the management of an organization to accomplish positive change/improvement where necessary, in a manner compatible with organizational needs
- Demonstrated ability to communicate effectively verbally and in concise written form to explain complex concepts and processes in a clear and effective manner and organize complex materials in a presentable format
- Ability to work effectively in a group or committee setting and to provide appropriate expert leadership and guidance while understanding the need for consensus
- Ability to perform property and casualty risk analysis and claims analysis
- Ability to provide evaluation, training and education relative to claims management, loss control, safety and related topics in the area of risk management
- Names and resumes of all staff members who will be primary on the City of Nashua Team to include professional background both commercial and self-insured programs and educational background
- List of five present public entity clients, specifying premium volume and length of time the account has been handled; including the name, address and telephone number of the person the City may contact. References should be municipal clients similar to the City of Nashua in size and type.
- Ability to provide in-house property valuation and appraisal services
- Ability to provide relevant benchmarking information to ensure the on-going competitiveness of the City's program

Failure to provide the preceding information as part of the proposal will result in rejection of the proposal

4.1 Pricing and Compensation:

Offeror shall provide its proposed annual service fees by policy for three (3) years

1st year	_____
2nd year	_____
3rd year	_____

Offeror agrees that the service fees stated in its proposal shall be considered payment for all insurance broker services listed in Section 3.0 as well as any additional services offered in the proposal. Failure on the part of the Offeror to provide its flat fees for the three year time period will result in rejection of the proposal. Please list any services offered that are not included in Section 3.0

5.0 General Description of the City of Nashua and Present Insurance Coverage

The City of Nashua is a political subdivision of the State of New Hampshire, is governed by an elected Board of Aldermen and has an elected Mayor who serves as the Chief Executive Officer. The population of the City is approximately 89,000.

The City of Nashua employs approximately 3,000 employees. Approximately 800 are employed in the areas of public safety, public works and municipal administration. Approximately 2,200 are employed by the Nashua School District.

The City of Nashua is not only self-insured with high retention levels but also self-administered with no third party administration for Property & Casualty. All programs are managed and administered by the Risk Management Department.

5.1 Current Insurance Coverage(s):

Commercial Property & Inland Marine

Blanket Property Limit	\$521,546,589
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(numerous sub-limits and varying deductibles)

Deductible	\$ 100,000
Machinery & Equipment Breakdown	\$100,000,000
Deductible	\$ 100,000
Accounts Receivable	\$ 250,000
Deductible	\$ 10,000

Coverage includes but is not limited to:

Computer equipment, mobile transmitting equipment, fine arts, miscellaneous property, modular classrooms, contractors equipment/ auto physical damage, garage keeper coverage, accounts receivable, glass repair new construction at scheduled premises, newly acquired property, earthquake and flood.

Liability

Retained Limit Policy

Retention:

General Liab, Wrongful Act, Auto Liab	\$300,000
Aggregate	\$1,100,000

Lines of Business include:

Public Officials Liability, School Board Liability, Auto Liability, Wrongful Acts, General Liability, Law Enforcement Liability, Clinic/Employee Medical Malpractice, Employee Benefit Liability, Landfill/Disposal Site

Limit:	
General Liability	\$1,000,000/\$2,000,000
Wrongful Act/Employee Benefit	\$1,000,000/\$1,000,000
Auto Liability	\$2,000,000/NA
Law Enforcement	\$1,000,000/\$2,000,000
Sexual Abuse	\$1,000,000/\$1,000,000
Sexual Harassment	\$1,000,000/\$1,000,000

Commercial Umbrella Policy

Retention	\$10,000
Limit	\$5,000,000/\$5,000,000

Workers' Compensation:

Retention	\$1,000,000
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Crime Policy:

Retention	\$10,000
Limit	\$1,000,000

(includes statutory requirement for Public Officials Bond)

Public Works Retirement System Fiduciary Insurance:

Retention	\$ 10,000
Limit	\$3,000,000

National District Attorneys Association:

Retention	\$ 1,250
Limit	\$1,000,000/\$1,000,000

Reserve Funding:

The City of Nashua maintains reserve funding for the Property & Casualty program. Current funding level is at \$1,530,938

The City of Nashua maintains an IBNR expense reserve for the Property & Casualty program. Current funding level is at \$4,468,726

Notice of Intent to Enter Contract:

In compliance with the Request for Proposal, the undersigned hereby proposes to perform the services required in strict accordance with the proposal specifications and contract documents at the prices set forth in the schedule of fees. All services are to be performed in a professional manner and to the satisfaction of the City of Nashua. Prevailing broker will be required to sign a confidentiality agreement stating that except where prohibited by law all information will remain confidential.

By signing below, Offeror certifies that:

1. It is under no legal prohibition in contracting with the City of Nashua
2. It has no known, undisclosed conflicts of interest; and
3. Neither Offeror nor its employees or associates has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in response to this solicitation; and

4. Has read, understood and is in compliance with the specifications, terms and conditions of the Request for Proposal; and
5. The signatory is an authorized agent of Offeror with full power and authority to submit binding proposal for the services specified herein; and
6. Will accept the terms and conditions in the resulting contract if awarded to Offeror by the City of Nashua
7. If awarded the contract for insurance broker services, Offeror shall provide the necessary certificates of insurance and other required documents, and commence the contract services by July 1, 2012.

Name of Firm _____

Address of Firm _____

Email : _____

Telephone _____ Fax _____

Signature of Authorized Representative _____

Typed Name of Authorized Representative _____

Title of Authorized Representative _____

Date _____